TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Memorial Compounding Pharmacy

Respondent Name
Christus Health

MFDR Tracking Number
M4-16-0724-01

Carrier's Austin Representative
Box Number 17

MFDR Date Received
November 16, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Memorial Compounding Pharmacy's bills are not being processed in accordance to Texas Guideline Rule 133.240 Medical Payments and Denials."

Amount in Dispute: $4,542.90

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: December 20, 2015: "The carrier has reconsidered the bills for the above mentioned dates of service and is processing them for payment."

Response Submitted by: Broadspire, P.O. Box 14351, Lexington, KY 40512-4351

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 30, 2015 through June 30, 2015	Pharmacy Services	$4,542.90	$4,542.90

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.503 sets out the requirements for pharmacy services.
3. Neither party submitted an explanation of benefits for the services in dispute. However copies of a document titled, "Provider Request Letter" with the dates May 30, 2015, June 11, 2015, July 9, 2015, and September 4, 2015. With "Comments," Bill not submitted on required standard form – Please resubmit on State specific billing forms."

Issues

1. What is the applicable rule pertaining to reimbursement of the services in dispute?
2. Is the requestor due additional reimbursement?

Findings

1. This case concerns the prescription of compound drugs. 28 Texas Administrative Code §134.503 (c) states in relevant part,

> The insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of:
>
> (1) the fee established by the following formulas based on the average wholesale price (AWP) as reported by a nationally recognized pharmaceutical price guide or other publication of pharmaceutical pricing data in effect on the day the prescription drug is dispensed:
>
> (A) Generic drugs: ((AWP per unit) x (number of units) x 1.25) + $4.00 dispensing fee per prescription = reimbursement amount;
>
> (B) Brand name drugs: ((AWP per unit) x (number of units) x 1.09) + $4.00 dispensing fee per prescription = reimbursement amount;
>
> (C) When compounding, a single compounding fee of $15 per prescription shall be added to the calculated total for either paragraph (1)(A) or (B) of this subsection;

Pursuant to provisions of Rule 134.503(c)(1), the maximum allowable reimbursement will be calculated as follows:

Date of service	Name of Medication	Reported units	MAR (AWP per unit) x (number of units) x 1.25 + $4.00
March 30, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
March 31, 2015	Senna-docusate sodium tab	56	0.04950 x 56 x 12.5 + $4.00 = $7.47
April 10, 2015	Senna-docusate sodium tab	60	0.04950 x 60 x 1.25 + $4.00 = $7.71
April 15, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
April 17, 2015	Hydrocodone-APAP 7.5-325	30	0.76258 x 30 x 1.25 + $4.00 = $32.60
April 30, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
May 7, 2015	Hydrocodone/APAP 10/325	84	0.78082 x 84 x 1.25 + $4.00 = $85.99
May 15, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
May 29, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
June 16, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
June 30, 2015	Flurbiprofen Powder	60	36.58000 x 60 x 1.25 + $4.00 = $2,747.50
		Total	$19,366.27

2. Based on the submitted DWC066, Box 21, the Generic NDC 38779-0362098, (Flurbiprofen) per “bottle” and box 23 shows 60 units or bottles. The total allowed amount based on the submitted NDC numbers and units is $19,366.27. The requestor is seeking $4,542.90, this amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $4,542.90.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $4,542.90 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

		February , 2016
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.